

9 March 1973

MEMORANDUM FOR: Director/National Estimates

SUBJECT : Supplementary Distribution, Some Implications of the
Zambia-Rhodesia Border Closure

Mr. Ray S. Cline
Director, Bureau of Intelligence and Research
Room 6351
State Department

Mr. David D. Newsom
Assistant Secretary for African Affairs
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State Department


Mr. Fernando Rondon
Room 302
Old Executive Office Building

~~DCI~~

~~Mr. Colby~~

MEMORANDUM FOR: Mr. Fernando Rondon

The attached memorandum was prepared in response to your request for an assessment of the Zambia-Rhodesia border closure. We hope it answers your needs.


JOHN HUIZENGA
Director
National Estimates


9 March 73
(DATE)

NO. 101 REPLACES FORM 10-101
54 WHICH MAY BE USED.

(47)

MEMORANDUM FOR: Mr. David Newsom
Assistant Secretary for
African Affairs


We thought you might be interested in seeing a copy of the attached memorandum, which was prepared in his office for a very limited distribution.


JOHN HUIZENGA
Director
National Estimates

MEMORANDUM FOR:

Ray S. Cline
Director, INR

A copy of the attached has been forwarded to Assistant Secretary for African Affairs David Newsom.


JOHN HUIZENGA
Director
National Estimates

9 March 73
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CENTRAL INTELLIGENCE AGENCY

OFFICE OF NATIONAL ESTIMATES

9 March 1973

SOME IMPLICATIONS OF THE ZAMBIA-RHODESIA BORDER CLOSURE

I. INTRODUCTION

1. In December a black guerrilla organization launched a series of armed raids against isolated farms and trading posts in northeastern Rhodesia. Several buildings were burned and a few whites killed and injured. In retaliation Rhodesia closed its border with Zambia on 9 January, claiming that the guerrillas had operated from Zambian territory with official Zambian sanction.

2. In early February Ian Smith announced that he had received Zambian assurances against future raids, and therefore was reopening the border. But Zambian President Kaunda declared that his country could no longer tolerate being economically dependent

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on Rhodesia, and that he would keep the Zambian side of the border closed indefinitely. Since the initial Rhodesian border closure, Kaunda has been seeking broad international support to help Zambia redirect its trade away from Rhodesia. These developments have long-term implications for the black-white confrontation in Southern Africa, and an anticipated aid request from Kaunda will require the US to take a public position on the issue.

II. SOURCES OF ZAMBIAN-RHODESIAN TENSION

3. Few African states are as interdependent economically as Zambia and Rhodesia. Zambia -- copper-rich but landlocked -- counts on Rhodesian railroads to carry about half its copper to the sea, and to bring in essential imports of machinery, food, and manufactures. Rhodesia currently supplies almost 40 percent of the electricity needed to run Zambia's copper mines and smelters.* Supplying Zambia with Rhodesian goods and services -- most of which could not find ready markets elsewhere -- bring Rhodesia almost \$50 million annually, accounting for around 10 percent of its annual export earnings.

* *Electricity has not been affected by the border closure and Prime Minister Smith has said he will not cut it off.*

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4. But economic interdependence has not softened President Kaunda's ideological hostility toward the Rhodesian government. Kaunda's attitude reflects his longstanding commitment to African liberation movements -- specifically, to his support for black African nationalists struggling to bring about the collapse of white minority governments in South Africa, the Portuguese territories, and Rhodesia. Zambia has provided a major sanctuary for black African guerrilla groups, sites for operational headquarters, a channel for the receipt of foreign arms -- mostly from China and the USSR -- and a staging area for raids into the white redoubt.

5. Kaunda knows that in supporting the guerrillas he risks provoking retaliation by the white minority states. Rhodesia and South Africa have threatened in earlier crises to take severe economic reprisals, or even to use armed force, against Zambia if guerrilla activities were not restricted. Kaunda has in the past been sufficiently mindful of Zambia's vulnerabilities to heed the warnings. Indeed, when a band of Zambian-based Angolan guerrillas blew up a piece of Angola's Benguela railway in 1967, the Portuguese closed down the railroad for several weeks. Zambia, which normally sends

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some 20 percent of its copper exports over the road, quickly got the message, and expelled the responsible guerrilla group.

6. Since the crisis created by Rhodesia's Unilateral Declaration of Independence in 1965, when the Rhodesian government first threatened to use economic warfare against Zambia, Kaunda has given high priority to efforts to reduce his country's dependence on Rhodesia. Accordingly Zambia built a petroleum pipeline to the Tanzanian port of Dar es Salaam which supplies all of Zambia's current oil requirements. To develop its own independent source of electric power, Zambia has so far invested \$65 million in a hydroelectric project at Kafue. Zambia currently supplies over 60 percent of the power needed for its copper industry. The development of low-grade local coal has substantially decreased Zambian dependence on Rhodesian supplies, and a road, built with US help, now carries roughly a third of Zambia's copper exports to the sea at Dar. And together with Tanzania, another strong supporter of black African liberation, Zambia has made use of Chinese aid for construction of the 1,100-mile Tanzam railway as a "black corridor" to the sea.

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7. But economic independence of Rhodesia is still a long way off. Zambia continues to draw electricity from Kariba in Rhodesia, and the peak-load capacity of Kafue to supply Zambia's critical power needs in the event of a Rhodesian cut off is still uncertain, at best. The Tanzam rail line is expected to be completed in 1974 -- ahead of schedule -- but it will be another 4-5 years before the roadbeds have settled sufficiently to assure that it can provide continuous service for a heavy volume of traffic. And for Zambia's essential imports of machinery and food, there is no quick or cheap alternate route to Rhodesian railways.

III. IMPLICATIONS OF A CONTINUING BORDER CLOSURE

A. Prospects for Zambia

8. Even before the border closures, Zambia faced parlous economic prospects for 1973. Scaled-down investment plans and optimistic proposals to raise taxes were not enough to avoid a planned budget deficit of \$200 million for the year, and the foreign currency reserve (about \$150 million) was about equal to two months' normal imports. Stocks of both consumer goods and

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capital equipment were low. Thus when Rhodesia closed the border, the Zambian government immediately sought UN assistance to stave off a serious economic crisis.

9. A group of experts sent by the UN to determine Zambian economic needs was to publish its report on 8 March. At this writing, the report has not been issued. The group's preliminary findings, however, suggest that a total of \$150 million would be required to get Zambia through the first year of a border closure. But both Zambia and the UN team recognize that this sum, which would permit Zambia to maintain a normal flow of trade, is far above what UN members would be willing to meet. Probably they will be called on to provide only enough assistance to cover increased transport costs and the acquisition of additional transport equipment which, together, would still come to at least \$70 million.

10. Zambia's aid prospects are uncertain, at best. It is likely that some UN members will respond, though at this point no commitments have been made and it is too early to judge how substantial such assistance will be. Nearby African states -- including

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the adjacent Portuguese territories* -- probably will continue making efforts to accommodate additional Zambian freight through their rail and port facilities.

11. Regardless of the size of aid commitments, however, Zambia faces severe economic problems in the next couple of months. The diversion of Zambian copper from Rhodesian to other routes will be impeded by managerial, logistical, and other difficulties. But the critical area is imports. To keep even essential imports coming through non-Rhodesian channels requires the almost immediate availability of large numbers of trucks and drivers: and the evidence indicates that this cannot be arranged on such short notice.

12. Over a longer period, if all Zambia's efforts are successful, it will have moved some distance toward reducing its dependence on Rhodesia, and Kaunda will be under less pressure to reopen the Rhodesian border to normal traffic. But prolonged closure would

* Although the white regimes of southern Africa cooperate to a limited degree in counterinsurgency activities (see for example NIE 71-71, "Prospects for Change in Portuguese Africa"), they have shown no inclination toward joint economic warfare operations. Quite the opposite, they have tended to profit from each other's troubles.

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also pose problems. A drop in imports -- even a protracted one -- would have little or no impact on most of Zambia's population, who are engaged in subsistence farming; but it would reduce the style of living of Zambia's politically important elite, whose members may be somewhat less zealous than Kaunda in pressing economic independence at any cost. Similarly, some of the white mine officials and other white technical and supervisory personnel working in Zambia could be seriously disaffected by an extended suspension of imports of consumer goods.*

13. Kaunda is said to discount these problems, and to feel that a little austerity for the elite will be a good thing. But Kaunda's political staying power reflects in part his skill at compromise. Over the years he has managed to temper his emotional commitment to black African liberation with practical considerations. If he felt it necessary to soothe his elite he could, for example, arrange a *de facto* reopening of the border while maintaining some token form of closure. Some senior Zambian officials favor such a partial reopening although so far Kaunda clearly is not leaning in this direction.

* *The border closure already has had an adverse impact on some of these people: their children who attend school in Rhodesia and South Africa have been prevented from returning to Zambia for the school holidays.*

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B. Effects on Rhodesia

14. If the Zambian border closure continues to shut off all Rhodesian merchandise exports and transport services to Zambia, Rhodesia will lose something like \$20-25 million a year, ^{1/} equal to 5-6 percent of its total exchange earnings. This loss would hurt -- particularly coming on top of a poor harvest and an already serious foreign exchange shortage, which has held down needed equipment purchases from abroad.

15. The blow would be one more issue which the Rhodesian opposition parties could cite as an example of Smith's political bungling and economic mismanagement. But it probably would not topple the Smith government. Of much greater importance to Smith's staying-power is the problem of stopping the guerrilla raids; and at this writing the government's crackdown ^{2/} has not brought them to an end.

1/ This does not include Rhodesian electric power exports, so far unaffected by the border closure, which are valued at around \$23 million.

2/ In addition to "sealing" the Zambian border -- the effectiveness of which is discussed in part "C" below -- the Smith government has levied fines on Rhodesian tribal groups thought guilty of abetting the guerrillas or of withholding information about them. Smith also has arrested three alleged "radicals" in the African National Council (ANC): the only legal black nationalist group of any importance in Rhodesia.

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16. Moreover there is no evidence that any politically significant group of Rhodesian whites favors a more moderate policy toward Rhodesian blacks, let alone toward Zambia and the black guerrilla movements nourished there. Of the several changes of government which Rhodesia experienced in the past two decades, each outgoing regime was succeeded by one further to the right. In short, if the Smith government should fall, the odds are that it would be replaced by a regime pledged to get tough with domestic black dissidence and to eliminate the guerrilla threat, even to the point of punitive attacks and hot pursuit into Zambian territory.

C. Impact on Guerrilla Activity

17. A continued border closure would have a negligible impact on the passage of guerrillas -- or of counterinsurgency groups -- between Zambia and Rhodesia. The mutual border is 500 miles long, unfortified, and mostly unpopulated. Moreover, most of the guerrillas enter Rhodesia indirectly *via* northwestern Mozambique in rough, mountainous terrain, which offers dense

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forest cover and contains few settlements. As the guerrillas generally operate in small groups of three to twenty, it is easy for them to cross undetected.

18. In time, closure of Zambia's border with Rhodesia probably would raise the level of guerrilla activities -- particularly those directed against Rhodesia. As suggested above, Zambian economic vulnerabilities, and Kaunda's fear of retaliation by white-ruled neighboring states, have led him to restrict the activities of Zambian-based black liberation groups. In part because of Zambian restrictions, the damage and harassment caused by the guerrillas have usually been at a level well below that which would invite punitive counter-measures against Zambia. But if Kaunda succeeds in drastically reducing Zambia's economic dependence on Rhodesia -- something which he cannot do without foreign help -- his fear of economic retaliation will be lessened and he probably will give somewhat freer rein to the guerrillas. This would not be likely to lead to a sudden or dramatic turnabout in guerrilla fortunes, however. For one thing, Kaunda's fears of military retaliation would prevent him from giving *carte blanche*

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to guerrilla activities. Moreover, the black African liberation groups are plagued by a host of problems,* of which the Zambian leash is but one.

19. Thus even if Kaunda encouraged the guerrillas to attempt something more than annoyance raids and road-mining in remote districts, nothing much would happen for a while. A few bolder and more dramatic actions might take place, and Rhodesian responses -- so far limited to mining Zambian border-post areas -- would accordingly sharpen. In the long run Zambian encouragement might lead to some really serious guerrilla actions which, in turn, would provoke more drastic reprisals from the white states. The result would be an escalation of hostilities involving the guerrillas, the white-run states, and the sanctuaries.

IV. US INTERESTS

20. The \$5-10 million which it is anticipated Kaunda will ask from the US to help Zambia redirect essential exports and imports

* Including deep and chronic leadership rivalries, tribal animosities, lack of local support, logistical difficulties, and the tough security forces opposing them.

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away from Rhodesia is unlikely, in itself, to spell success or failure for the scheme. The assistance sought is too small to make much of a difference; and, if the US turns him down, Kaunda stands a fair chance of getting it from other sources -- e.g., France -- although perhaps not on concessional terms. Indeed, the chances are that he would try to get along for a while without Rhodesian trade, even if he received no assistance from abroad. But the US decision probably will influence other prospective donors. A negative US decision would make it easier for other states to plead budgetary stringencies, etc., and to refuse aid, or to keep it at token levels. Conversely, a US decision to meet Kaunda's request would make it harder for other states to decline. There is always the possibility, of course, that the Chinese or Russians would use a Western refusal as an opportunity to make a gesture of support; but there is no indication so far that they intend to do so in this case.

21. A negative US response would provoke some outcry in Zambia, and from supporters of the African liberation movements, but would be unlikely to have a significant impact on the course

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of US relations with black Africa. A positive response would be interpreted as a vote for black liberation and against the Smith regime; but its effect would be largely psychological and political.

22. Prolonged closure of the border is likely to contribute to a steady deterioration in Zambian-Rhodesian relations. Until now the mutual economic dependence of these two countries has had a certain moderating effect on the uneasy southern African situation. With the border open, there was always some basis for negotiation and compromise. Closure of the border has already contributed to a rise in tensions, and has fanned mutual fears and suspicions. Continued closure will not only wither the economic links between the two states but will tend to isolate them psychologically and so harden positions as to make future accommodation more difficult.

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